

| SI.<br>No. | Name of the PSU                                 | 1998-99 | (Rs-ZCrore)   |                          |   |
|------------|---|---------|---------------|--------------------------|---|
|            |   |         | 1999-<br>2000 | 2000-<br>2001<br>(Prov.) | 5 |
| 1          | 2   | 3       | 4             | 5                        |   |
| 7          | Projects & Development India Ltd.<br>(PDIL)     | -15.85  | -19.88        | -23.11                   |   |
| 8          | National Fertilizers Ltd. (NFL)                 | -41.15  | 34.89         | 10.24                    |   |
| 9          | Rashtriya Chemicals & Fertilizers Ltd.<br>(RCF) | 105.64  | 35.08         | 72.03                    |   |

\*\* from April 1998—September 1999 (18 months).

\*\* from October 1999—March 2000 (6 months).

(b) Of the above nine PSUs, under the administrative control of this Department, MFL, NFL, FACT, RCF, PPL and PPCL have been identified for disinvestment.

(c) and (d) Of the nine fertilizer PSUs, HFC, FCI, PPCL and PDIL have been declared sick by the Board for Industrial and Financial Reconstruction. The rehabilitation proposals of HFC and FCI based on unit-wise techno-economic viability and restructuring proposal of PPCL based on the recommendations of the Disinvestment Commission have been submitted for consideration of the competent authority in the Government. Besides, the revised rehabilitation proposal for PDIL has been finalized and is to be submitted to the competent authority and thereafter for sanction of Board for Industrial and Financial Reconstruction which is a quasi-judicial authority.

#### Revival Plans for IDPL

4596. SHRIMATI SHABANA AZMI:

SHRI BALWANT SINGH RAMOOWALIA:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) what are Government's latest plans to revive the IDPL, lying sick since 1992;
- (b) what other option(s) Government now have for IDPL's rehabilitation, in view of failed attempts so far to find any bidder for IDPL;

(c) whether IDPL could be placed, as rehabilitation package, under the administrative control of Ministry of Health & Family Welfare; if not, the reasons therefor; and

(d) whether Government have conducted any probe so far in respect of IDPL's huge losses and fixed responsibility/accountability therefor, giving the details thereof in either case?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI SUKHDEV SINGH DHINDSA): (a) and (b) The future of the company would be determined by the proceedings and the final decision of the Board for Industrial & Financial Reconstruction (BIFR). The BIFR has issued a show cause notice for winding up of the company. BIFR will hear objections^uggestions on 4.6.2001. Government also has the option to make submission before the BIFR and the matter is under consideration of Government.

(c) After failure of the first rehabilitation package approved by the BIFR on 10.2.94, no fully tied up rehabilitation package could be finalised and placed before the BIFR.

(d) IDPL has been incurring losses from the very beginning except during 1974-75 to 1978-79. The reasons for sickness of IDPL as identified by the Industrial Development Bank of India (IDBI), which carried out a study are given in the Statement enclosed.

#### **Statement**

*Reasons identified by the Industrial Development Bank of India (IDBI),*

*Mumbai for sickness of IDPL: 'Incidence of social objectives*

- Emphasis on formulations for sales to institutional market 'Manufacture of bulk drugs from basic stages'
- Inadequate emphasis on sales of formulations to the trade market
- Most products being under price control
- High employment costs
- Incidence of policy change with regard to import of bulk drugs
- High interest burden
- Decline in budgetary support
- Inherited second rate technology
- Inadequacies, particularly in the centralized utilities and services and locational disadvantages.